



# Department of Health

**KATHY HOCHUL**  
Governor

**JAMES V. McDONALD, MD, MPH**  
Commissioner

**JOHANNE E. MORNE, MS**  
Executive Deputy Commissioner

June 30, 2025

Todd McMillion  
Director  
Department of Health and Human Services  
Centers for Medicare and Medicaid Services  
233 North Michigan Ave, Suite 600  
Chicago, IL 60601

RE: SPA #25-0050  
Non-Institutional Services

Dear Director McMillion:

The State requests approval of the enclosed amendment #25-0050 to the Title XIX (Medicaid) State Plan for non-institutional services to be effective April 1, 2025 (Appendix I). This amendment is being submitted based on enacted legislation. A summary of the plan amendment is provided in Appendix II.

The State of New York reimburses these services through the use of rates that are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area as required by § 1902(a)(30) of the Social Security Act and 42 CFR § 447.204.

A copy of pertinent sections of enacted legislation is enclosed for your information (Appendix III). Copies of the public notices of this plan amendment, which were given in the *New York State Register* on March 26, 2025, and subsequently clarified on July 16, 2025, are also enclosed for your information (Appendix IV). In addition, responses to the five standard funding questions are also enclosed (Appendix V).

If you have any questions regarding this State Plan Amendment submission, please do not hesitate to contact Regina Deyette, Medicaid State Plan Coordinator, Division of Finance and Rate Setting, Office of Health Insurance Programs at (518) 473-3658.

Sincerely,

A solid black rectangular box used to redact the signature of Amir Bassiri.

Amir Bassiri  
Medicaid Director  
Office of Health Insurance Programs

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 5 — 0 0 5 0

2. STATE

N Y3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL  
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

April 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

§ 1905(a)(2)(A) Outpatient Hospital Services; (a)(9) Clinic Services

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 04/01/25-09/30/25 \$ 295,791b. FFY 10/01/25-09/30/26 \$ 591,582

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B: Pages 2(ao), 2(y), 3(j.1a), 3k(1a), 3k(2a), 3k(4)

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable)Attachment 4.19-B: Pages 2(ao), 2(y), 3(j.1a), 3k(1a),  
3k(2a), 3k(4)

9. SUBJECT OF AMENDMENT

2.6% TARGETED INFLATIONARY INCREASE &amp; MINIMUM WAGE- OMH CLINIC PROGRAMS SFY 26

10. GOVERNOR'S REVIEW (Check One)



GOVERNOR'S OFFICE REPORTED NO COMMENT



COMMENTS OF GOVERNOR'S OFFICE ENCLOSED



NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL



OTHER, AS SPECIFIED:

11. SIGNATURE STATE OFFICIAL

12. TYPED NAME

Amir Bassiri

13. TITLE

Medicaid Director

14. DATE SUBMITTED

June 30, 2025

15. RETURN TO

New York State Department of Health  
Division of Finance and Rate Setting  
99 Washington Ave – One Commerce Plaza  
Suite 1432  
Albany, NY 12210**FOR CMS USE ONLY**

16. DATE RECEIVED

17. DATE APPROVED

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

21. TITLE OF APPROVING OFFICIAL

22. REMARKS

Appendix I  
2025 Title XIX State Plan  
Second Quarter Amendment  
Amended SPA Pages

[https://omh.ny.gov/omhweb/medicaid\\_reimbursement/excel/cpep.xlsx](https://omh.ny.gov/omhweb/medicaid_reimbursement/excel/cpep.xlsx)

TN #25-0050

Supersedes TN #24-0053

Approval Date \_\_\_\_\_

Effective Date April 1, 2025

## Collaborative Care Services

Effective January 1, 2015, reimbursement will be provided to freestanding clinics and hospital outpatient departments licensed under Article 28 of the Public Health Law for Collaborative Care Services for patients diagnosed with depression in the form of a monthly case rate, specified below. Effective January 1, 2018, reimbursement will be provided to such providers for Collaborative Care Services for patients with other mental illness diagnoses at the same rates. Reimbursement will be the same for both governmental and non-governmental providers.

[https://omh.ny.gov/omhweb/medicaid\\_reimbursement/excel/collaborative-care-rates.xlsx](https://omh.ny.gov/omhweb/medicaid_reimbursement/excel/collaborative-care-rates.xlsx)

Approval Date \_\_\_\_\_

Effective Date April 1, 2025

New York  
3(j.1a)

1905(a)(9) Clinic Services

Regional Continuing Day Treatment Rates for Freestanding Clinic (Non-State  
Operated)

The agency's fee schedule rate was set as of April 1, ~~2024~~ 2025, and is effective for services provided on or after that date. All rates are published on the State's website at:

[https://omh.ny.gov/omhweb/medicaid\\_reimbursement/excel/cdt-base-rate.xlsx](https://omh.ny.gov/omhweb/medicaid_reimbursement/excel/cdt-base-rate.xlsx)

TN #25-0050

Approval Date \_\_\_\_\_

Supersedes TN #24-0053

Effective Date April 1, 2025

New York  
3k(1a)

1905(a)(9) Clinic Services

Regional Partial Hospitalization Rates for Freestanding Clinic and Outpatient Hospital  
Partial Hospitalization Services

The agency's fee schedule rate was set as of ~~October 1, 2024~~ April 1, 2025, and is effective for services provided on or after that date. All rates are published on the State's website at:

[https://omh.ny.gov/omhweb/medicaid\\_reimbursement/excel/partial-hospitalization.xlsx](https://omh.ny.gov/omhweb/medicaid_reimbursement/excel/partial-hospitalization.xlsx)

TN #25-0050

Approval Date \_\_\_\_\_

Supersedes TN #24-0082

Effective Date April 1, 2025

New York  
3k(2a)

1905(a)(9) Clinic Services

Day Treatment Services for Children:

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of OMH Day Treatment Services for Children providers. The agency's fee schedule rate was set as of April 1, ~~2024~~ 2025, and is effective for services provided on or after that date. All rates are published on the State's website at:

[https://omh.ny.gov/omhweb/medicaid\\_reimbursement/excel/day-treatment.xlsx](https://omh.ny.gov/omhweb/medicaid_reimbursement/excel/day-treatment.xlsx)

TN #25-0050

Approval Date \_\_\_\_\_

Supersedes TN #24-0053

Effective Date April 1, 2025



New York  
3k(4)

# 1905(a)(9) Clinic Services

## Regional Day Treatment for Children Rates for Outpatient Hospital Services (Non-State Operated)

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of OMH Day Treatment Services for Children providers. The **agency's fee schedule rate was set as of** April 1, ~~2024~~ 2025, and is effective for services provided on or after that date. All rates are published on the State's website at:

[https://omh.ny.gov/omhweb/medicaid\\_reimbursement/excel/day-treatment.xlsx](https://omh.ny.gov/omhweb/medicaid_reimbursement/excel/day-treatment.xlsx)

Reimbursement will include a per-visit payment for the cost of capital, which will be determined by **dividing the provider's total allowable capital costs, as reported on the Institutional Cost Report (ICR)** for its licensed Mental Health Outpatient Treatment and Rehabilitative Services, Continuing Day Treatment and Day Treatment Services for children, by the sum of the total annual number of visits for all of such services. The per-visit capital payment will be updated annually and will be developed using the costs and visits based on an ICR that is 2-years prior to the rate year. The allowable capital, as reported on the ICR, will also be adjusted prior to the rate add-on development to exclude costs related to statutory exclusions as follows: (1) forty-four percent of the costs of major moveable equipment and (2) staff housing.

TN #25-0050

Approval Date \_\_\_\_\_

Supersedes TN #24-0053

Effective Date April 1, 2025

Appendix II  
2025 Title XIX State Plan  
Second Quarter Amendment  
Summary

SUMMARY  
SPA #25-0050

This State Plan Amendment proposes to implement a 2.6 percent targeted inflationary increase to the reimbursement fees for NYS Office of Mental Health Clinic programs, effective April 1, 2025. This amendment also proposes to authorize statutorily enacted minimum wage increases for the following services: Continuing Day Treatment, Comprehensive Psychiatric Emergency Program (CPEP), Day Treatment for Children, and Partial Hospitalization.

Appendix III  
2025 Title XIX State Plan  
Second Quarter Amendment  
Authorizing Provisions

**PART FF of Chapter 57 of the Laws of 2025**

31 Section 1. 1. Subject to available appropriations and approval of the  
32 director of the budget, the commissioners of the office of mental  
33 health, office for people with developmental disabilities, office of  
34 addiction services and supports, office of temporary and disability  
35 assistance, office of children and family services, and the state office  
36 for the aging (hereinafter "the commissioners") shall establish a state  
37 fiscal year 2025-2026 targeted inflationary increase, effective April 1,  
38 2025, for projecting for the effects of inflation upon rates of  
39 payments, contracts, or any other form of reimbursement for the programs  
40 and services listed in subdivision four of this section. The targeted  
41 inflationary increase established herein shall be applied to the appro  
42 priate portion of reimbursable costs or contract amounts. Where appro  
43 priate, transfers to the department of health (DOH) shall be made as  
44 reimbursement for the state and/or local share of medical assistance.  
45 2. Notwithstanding any inconsistent provision of law, subject to the  
46 approval of the director of the budget and available appropriations  
47 therefor, for the period of April 1, 2025 through March 31, 2026, the  
48 commissioners shall provide funding to support a two and six-tenths  
49 percent (2.6%) targeted inflationary increase under this section for all  
50 eligible programs and services as determined pursuant to subdivision  
51 four of this section.

52 3. Notwithstanding any inconsistent provision of law, and as approved  
53 by the director of the budget, the 2.6 percent targeted inflationary  
54 increase established herein shall be inclusive of all other inflationary  
1 increases, cost of living type increases, inflation factors, or trend  
2 factors that are newly applied effective April 1, 2025. Except for the  
3 2.6 percent targeted inflationary increase established herein, for the  
4 period commencing on April 1, 2025 and ending March 31, 2026 the commis  
5 sioners shall not apply any other new targeted inflationary increases or  
6 cost of living adjustments for the purpose of establishing rates of  
7 payments, contracts or any other form of reimbursement. The phrase "all  
8 other inflationary increases, cost of living type increases, inflation  
9 factors, or trend factors" as defined in this subdivision shall not  
10 include payments made pursuant to the American Rescue Plan Act or other  
11 federal relief programs related to the Coronavirus Disease 2019 (COVID12 19) pandemic  
public health emergency. This subdivision shall not  
13 prevent the office of children and family services from applying addi  
14 tional trend factors or staff retention factors to eligible programs and  
15 services under paragraph (v) of subdivision four of this section.

16 4. Eligible programs and services. (i) Programs and services funded,  
17 licensed, or certified by the office of mental health (OMH) eligible for  
18 the targeted inflationary increase established herein, pending federal  
19 approval where applicable, include: office of mental health licensed  
20 outpatient programs, pursuant to parts 587 and 599 of title 14 CRR-NY of  
21 the office of mental health regulations including clinic (mental health

22 outpatient treatment and rehabilitative services programs), continuing  
23 day treatment, day treatment, intensive outpatient programs and partial  
24 hospitalization; outreach; crisis residence; crisis stabilization,  
25 crisis/respite beds; mobile crisis, part 590 comprehensive psychiatric  
26 emergency program services; crisis intervention; home based crisis  
27 intervention; family care; supported single room occupancy; supported  
28 housing programs/services excluding rent; treatment congregate;  
29 supported congregate; community residence - children and youth;  
30 treatment/apartment; supported apartment; community residence single  
31 room occupancy; on-site rehabilitation; employment programs; recreation;  
32 respite care; transportation; psychosocial club; assertive community  
33 treatment; case management; care coordination, including health home  
34 plus services; local government unit administration; monitoring and  
35 evaluation; children and youth vocational services; single point of  
36 access; school-based mental health program; family support children and  
37 youth; advocacy/support services; drop in centers; recovery centers;  
38 transition management services; bridge; home and community based waiver  
39 services; behavioral health waiver services authorized pursuant to the  
40 section 1115 MRT waiver; self-help programs; consumer service dollars;  
41 conference of local mental hygiene directors; multicultural initiative;  
42 ongoing integrated supported employment services; supported education;  
43 mentally ill/chemical abuse (MICA) network; personalized recovery  
44 oriented services; children and family treatment and support services;  
45 residential treatment facilities operating pursuant to part 584 of title  
46 14-NYCRR; geriatric demonstration programs; community-based mental  
47 health family treatment and support; coordinated children's service  
48 initiative; homeless services; and promise zones.

49 (ii) Programs and services funded, licensed, or certified by the  
50 office for people with developmental disabilities (OPWDD) eligible for  
51 the targeted inflationary increase established herein, pending federal  
52 approval where applicable, include: local/unified services; chapter 620  
53 services; voluntary operated community residential services; article 16  
54 clinics; day treatment services; family support services; 100% day  
55 training; epilepsy services; traumatic brain injury services; hepatitis  
56 B services; independent practitioner services for individuals with  
1 intellectual and/or developmental disabilities; crisis services for  
2 individuals with intellectual and/or developmental disabilities; family  
3 care residential habilitation; supervised residential habilitation;  
4 supportive residential habilitation; respite; day habilitation; prevoca  
5 tional services; supported employment; community habilitation; interme  
6 diate care facility day and residential services; specialty hospital;  
7 pathways to employment; intensive behavioral services; community transi8 tion services;  
family education and training; fiscal intermediary;  
9 support broker; and personal resource accounts.

10 (iii) Programs and services funded, licensed, or certified by the  
11 office of addiction services and supports (OASAS) eligible for the  
12 targeted inflationary increase established herein, pending federal  
13 approval where applicable, include: medically supervised withdrawal

14 services - residential; medically supervised withdrawal services -  
 15 outpatient; medically managed detoxification; inpatient rehabilitation  
 16 services; outpatient opioid treatment; residential opioid treatment;  
 17 residential opioid treatment to abstinence; problem gambling treatment;  
 18 medically supervised outpatient; outpatient rehabilitation; specialized  
 19 services substance abuse programs; home and community based waiver  
 20 services pursuant to subdivision 9 of section 366 of the social services  
 21 law; children and family treatment and support services; continuum of  
 22 care rental assistance case management; NY/NY III post-treatment hous23 ing; NY/NY III  
 housing for persons at risk for homelessness; permanent  
 24 supported housing; youth clubhouse; recovery community centers; recovery  
 25 community organizing initiative; residential rehabilitation services for  
 26 youth (RRSY); intensive residential; community residential; supportive  
 27 living; residential services; job placement initiative; case management;  
 28 family support navigator; local government unit administration; peer  
 29 engagement; vocational rehabilitation; HIV early intervention services;  
 30 dual diagnosis coordinator; problem gambling resource centers; problem  
 31 gambling prevention; prevention resource centers; primary prevention  
 32 services; other prevention services; comprehensive outpatient clinic;  
 33 jail-based supports; and regional addiction resource centers.  
 34 (iv) Programs and services funded, licensed, or certified by the  
 35 office of temporary and disability assistance (OTDA) eligible for the  
 36 targeted inflationary increase established herein, pending federal  
 37 approval where applicable, include: the nutrition outreach and education  
 38 program (NOEP).  
 39 (v) Programs and services funded, licensed, or certified by the office  
 40 of children and family services (OCFS) eligible for the targeted infla41 tionary increase  
 established herein, pending federal approval where  
 42 applicable, include: programs for which the office of children and fami43 ly services  
 establishes maximum state aid rates pursuant to section  
 44 398-a of the social services law and section 4003 of the education law;  
 45 emergency foster homes; foster family boarding homes and therapeutic  
 46 foster homes; supervised settings as defined by subdivision twenty-two  
 47 of section 371 of the social services law; adoptive parents receiving  
 48 adoption subsidy pursuant to section 453 of the social services law; and  
 49 congregate and scattered supportive housing programs and supportive  
 50 services provided under the NY/NY III supportive housing agreement to  
 51 young adults leaving or having recently left foster care.  
 52 (vi) Programs and services funded, licensed, or certified by the state  
 53 office for the aging (SOFA) eligible for the targeted inflationary  
 54 increase established herein, pending federal approval where applicable,  
 55 include: community services for the elderly; expanded in-home services  
 56 for the elderly; and the wellness in nutrition program.  
 1 5. Each local government unit or direct contract provider receiving  
 2 funding for the targeted inflationary increase established herein shall  
 3 submit a written certification, in such form and at such time as each  
 4 commissioner shall prescribe, attesting how such funding will be or was  
 5 used to first promote the recruitment and retention of support staff,

6 direct care staff, clinical staff, non-executive administrative staff,  
7 or respond to other critical non-personal service costs prior to  
8 supporting any salary increases or other compensation for executive  
9 level job titles.

10 6. Notwithstanding any inconsistent provision of law to the contrary,  
11 agency commissioners shall be authorized to recoup funding from a local  
12 governmental unit or direct contract provider for the targeted infla13 tionary increase  
established herein determined to have been used in a  
14 manner inconsistent with the appropriation, or any other provision of  
15 this section. Such agency commissioners shall be authorized to employ  
16 any legal mechanism to recoup such funds, including an offset of other  
17 funds that are owed to such local governmental unit or direct contract  
18 provider.

19 § 2. This act shall take effect immediately and shall be deemed to  
20 have been in full force and effect on and after April 1, 2025.

#### **New York State Mental Hygiene Laws §7.15**

(a) The commissioner shall plan, promote, establish, develop, coordinate, evaluate, and conduct programs and services of prevention, diagnosis, examination, care, treatment, rehabilitation, training, and research for the benefit of the mentally ill. Such programs shall include but not be limited to in-patient, out-patient, partial hospitalization, day care, emergency, rehabilitative, and other appropriate treatments and services. He or she shall take all actions that are necessary, desirable, or proper to implement the purposes of this chapter and to carry out the purposes and objectives of the department within the amounts made available therefor by appropriation, grant, gift, devise, bequest, or allocation from the mental health services fund established under section ninety-seven-f of the state finance law.

(b) The activities described in subdivision (a) of this section may be undertaken in cooperation and agreement with other offices of the department and with other departments or agencies of the state, local or federal government, or with other organizations and individuals.

#### **New York State Mental Hygiene Laws §43.02**

(a) Notwithstanding any inconsistent provision of law, payment made by government agencies pursuant to title eleven of article five of the social services law for services provided by any facility licensed by the office of mental health pursuant to article thirty-one of this chapter or certified by the office of alcoholism and substance abuse services pursuant to this chapter to provide inpatient chemical dependence services, as defined in section 1.03 of this chapter, shall be at rates or fees certified by the commissioner of the respective office and approved by the director of the division of the budget, provided, however, the commissioner of mental health shall annually certify such rates or fees which may vary for distinct geographical areas of the state and, provided, further, that rates or fees for service for inpatient psychiatric services or



inpatient chemical dependence services, at hospitals otherwise licensed pursuant to article twenty-eight of the public health law shall be established in accordance with section two thousand eight hundred seven of the public health law and, provided, further, that rates or fees for services provided by any facility or program licensed, operated or approved by the office for people with developmental disabilities, shall be certified by the commissioner of health; provided, however, that such methodologies shall be subject to approval by the office for people with developmental disabilities and shall take into account the policies and goals of such office.

(b) Operators of facilities licensed by the office of mental health pursuant to article thirty-one of this chapter, licensed by the office for people with developmental disabilities pursuant to article sixteen of this chapter or certified by the office of alcoholism and substance abuse services pursuant to this chapter to provide inpatient chemical dependence services shall provide to the commissioner of the respective office such financial, statistical and program information as the commissioner may determine to be necessary. The commissioner of the appropriate office shall have the power to conduct on-site audits of books and records of such facilities.

(c) The commissioner of the office of mental health, the commissioner of the office for people with developmental disabilities and the commissioner of the office of alcoholism and substance abuse services shall adopt rules and regulations to effectuate the provisions of this section. Such rules and regulations shall include, but not be limited to, provisions relating to:

(i) the establishment of a uniform statewide system of reports and audits relating to the quality of care provided, facility utilization and costs of providing services; such a uniform statewide system may provide for appropriate variation in the application of the system to different classes or subclasses of facilities licensed by the office of mental health pursuant to article thirty-one of this chapter or licensed or operated by the office for people with developmental disabilities pursuant to article sixteen of this chapter, or certified by the office of alcoholism and substance abuse services pursuant to this chapter to provide inpatient chemical dependence services; and

(ii) methodologies used in the establishment of the schedules of rates or fees pursuant to this section provided, however, that the commissioner of health shall adopt rules and regulations including methodologies developed by him or her for services provided by any facility or program licensed, operated or approved by the office for people with developmental disabilities; provided, however, that such rules and regulations shall be subject to the approval of the office for people with developmental disabilities and shall take into account the policies and goals of such office.

#### **SECTION 43.01**

Fees and rates for department services

Mental Hygiene (MHY) CHAPTER 27, TITLE E, ARTICLE 43

§ 43.01 Fees and rates for department services.

(a) The department shall charge fees for its services to patients and residents, provided, however, that no person shall be denied services because of inability or failure to pay a fee.

(b) The commissioner may establish, at least annually, schedules of rates for inpatient services that reflect the costs of services, care, treatment, maintenance, overhead, and administration which assure maximum recovery of such costs.

In addition, the commissioner may establish, at least annually, schedules of fees for noninpatient services which need not reflect the costs of services, care, treatment, maintenance, overhead, and administration.

(c) The executive budget, as recommended, shall reflect, by individual facility, the costs of services, care, treatment, maintenance, overhead, and administration.

(d) All schedules of fees and rates which are established by the commissioner, shall be subject to the approval of the director of the division of the budget. Immediately upon their approval, copies of all schedules of fees and rates established pursuant to this section shall be forwarded to the chairman of the assembly ways and means committee and the chairman of the senate finance committee.

Appendix IV  
2025 Title XIX State Plan  
Second Quarter Amendment  
Public Notice

**Public Notice**  
**NYS Department of Health**

Pursuant to 42 CFR Section 447.205, the Department of Health hereby gives public notice of the following:

The Department of Health proposes to amend the Title XIX (Medicaid) State Plan for all services to comply with the 2025-2026 enacted budget. The following changes are proposed:

**All Services**

The following is a clarification to the March 26, 2025, noticed provision to adjust rates of payment statewide to reflect a 2.1 percent (2.1%) Targeted Inflationary Increase.

With clarification, this increase will now be 2.6 percent (2.6%) and relating to the following: Office of Mental Health (OMH), Office of Addiction Services and Supports (OASAS), and Office for People With Developmental Disabilities (OPWDD) State Plan Services: OMH Outpatient Services, OMH Clinic Services, OMH Rehabilitative Services, Comprehensive Psychiatric Emergency Program, including Extended Observation Beds, Children Family Treatment Support Services, Health Home Plus, Psychiatric Residential Treatment Facilities for Children and Youth, OASAS Outpatient Addiction Services, OASAS Freestanding (non-hospital) Inpatient Rehabilitation Services, OASAS Freestanding Inpatient Detox Services, OASAS Part 820 Residential Services, OASAS Residential Rehabilitation Services for Youth, Intermediate Care Facility (ICF/IDD), Day Treatment, Article 16 Clinic Services, Specialty Hospital,

Independent Practitioner Services for Individual with Developmental Disabilities (IPSIDD), and OPWDD Crisis Services.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-26 is now \$34.9 million.

### **Non-Institutional Services**

The following is a clarification to the March 26, 2025, noticed provision to provide a three-year increase in funding associated with the reimbursement for Adult Day Health Care programs (ADHCs).

With clarification, the estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-2026 is now \$6.4 million.

The following is a clarification to the March 26, 2025, noticed provision to provide a three-year increase in funding associated with the reimbursement for Hospice programs.

With clarification, the estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-2026 is now \$0.3 million.

### **Institutional Services**

The following is a clarification to the March 26, 2025, noticed provision for hospitals owned and operated by the New York City Health and Hospitals Corporation

are removed from participation in the Indigent Care Pool (ICP). Hospitals will continue to be funded in DSH via other DSH transactions.

With clarification, such DSH transactions will continue April 1, 2025 through March 31, 2028. There is no change to the previously published fiscal impact.

### **Long Term Care Services**

The following is a clarification to the March 26, 2025, noticed provision to provide a three-year increase in funding associated with the reimbursement for residential health care facilities.

With clarification, the estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-2026 is now \$438.3 million.

The public is invited to review and comment on this proposed State Plan Amendment, a copy of which will be available for public review on the Department's website at [http://www.health.ny.gov/regulations/state\\_plans/status](http://www.health.ny.gov/regulations/state_plans/status). Individuals without Internet access may view the State Plan Amendments at any local (county) social services district.

For the New York City district, copies will be available at the following places:

New York County  
250 Church Street  
New York, New York 10018

Queens County, Queens Center  
3220 Northern Boulevard  
Long Island City, New York 11101

Kings County, Fulton Center

114 Willoughby Street  
Brooklyn, New York 11201

Bronx County, Tremont Center  
1916 Monterey Avenue  
Bronx, New York 10457

Richmond County, Richmond Center  
95 Central Avenue, St. George  
Staten Island, New York 10301

For further information and to review and comment, please contact:

New York State Department of Health  
Division of Finance and Rate Setting  
99 Washington Ave  
One Commerce Plaza  
Suite 1432  
Albany, New York 12210  
[spa-inquiries@health.ny.gov](mailto:spa-inquiries@health.ny.gov)

# MISCELLANEOUS NOTICES/HEARINGS

## Notice of Abandoned Property Received by the State Comptroller

Pursuant to provisions of the Abandoned Property Law and related laws, the Office of the State Comptroller receives unclaimed monies and other property deemed abandoned. A list of the names and last known addresses of the entitled owners of this abandoned property is maintained by the office in accordance with Section 1401 of the Abandoned Property Law. Interested parties may inquire if they appear on the Abandoned Property Listing by contacting the Office of Unclaimed Funds, Monday through Friday from 8:00 a.m. to 4:30 p.m., at:

1-800-221-9311  
or visit our web site at:  
[www.osc.state.ny.us](http://www.osc.state.ny.us)

Claims for abandoned property must be filed with the New York State Comptroller's Office of Unclaimed Funds as provided in Section 1406 of the Abandoned Property Law. For further information contact: Office of the State Comptroller, Office of Unclaimed Funds, 110 State St., Albany, NY 12236.

## PUBLIC NOTICE Department of Civil Service

PURSUANT to the Open Meetings Law, the New York State Civil Service Commission hereby gives public notice of the following:

Please take notice that the regular monthly meeting of the State Civil Service Commission for April 2025 will be conducted on April 9 and April 10 commencing at 10:00 a.m. This meeting will be conducted at NYS Media Services Center, Suite 146, South Concourse, Empire State Plaza, Albany, NY with live coverage available at <https://www.cs.ny.gov/commission/>.

For further information, contact: Office of Commission Operations, Department of Civil Service, Empire State Plaza, Agency Bldg. 1, Albany, NY 12239, (518) 473-6598

## PUBLIC NOTICE Department of Health

Pursuant to 42 CFR Section 447.205, the Department of Health hereby gives public notice of the following:

The Department of Health proposes to amend the Title XIX (Medicaid) State Plan for all services to comply with the 2025-2026 proposed executive budget. The following changes are proposed:

### All Services

Effective on or after April 1, 2025, the Department of Health will adjust Medicaid rates statewide to reflect a 2.1% percent Targeted Inflationary Increase for the following Office of Mental Health (OMH), Office of Addiction Services and Supports (OASAS), and Office for People With Developmental Disabilities (OPWDD) State Plan Services: OMH Outpatient Services, OMH Clinic Services, OMH Rehabilitative Services, Comprehensive Psychiatric Emergency Program, including Extended Observation Beds, Children Family Treatment Support Services, Health Home Plus, Psychiatric Residential Treatment Facilities for Children and Youth, OASAS Outpatient Addiction Services, OASAS Freestanding (non-hospital) Inpatient

Rehabilitation Services, OASAS Freestanding Inpatient Detox Services, OASAS Part 820 Residential Services, OASAS Residential Rehabilitation Services for Youth, Intermediate Care Facility (ICF/IDD), Day Treatment, Article 16 Clinic Services, Specialty Hospital, Independent Practitioner Services for Individual with Developmental Disabilities (IPSIDD), and OPWDD Crisis Services.

The estimated annual net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-26 is \$28.3 million.

### Non-Institutional Services

Effective on or after April 1, 2025 through March 31, 2028, this proposal would provide a three-year increase in funding associated with the reimbursement for diagnostic and treatment centers, including Federally Qualified Health Centers and Rural Health Clinics.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-2026 is \$20 million.

Effective on or after April 1, 2025 through March 31, 2028, this proposal would provide a three-year increase in funding associated with the reimbursement for Assisted Living Programs (ALPs).

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-2026 is \$15 million.

Effective on or after April 1, 2025 through March 31, 2028, this proposal would provide a three-year increase in funding associated with the reimbursement for Adult Day Health Care programs (ADHCs).

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-2026 is \$5.4 million.

Effective on or after April 1, 2025 through March 31, 2028 this proposal would provide a three-year increase in funding associated with the reimbursement for Hospice programs.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-2026 is \$0.7 million.

Effective on or after April 1, 2025 noticed provision for Supplemental payments intended for services provided for Voluntary Hospitals up to the upper payment limit for Voluntary Hospitals shall be eliminated. Funds shall be available as Indigent Care Pool (ICP) dollars only.

There is no estimated change to gross Medicaid expenditures as a result of this proposed amendment.

Effective on or after April 1, 2025, rates of payment for services provided by Health Facilities licensed under Article 29-I of the Public Health Law to individuals under age 21 years, will be increased to account for enhanced programmatic requirements and to ensure access to primary care services in these settings.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-26 is \$36 million.

Effective on or after April 1, 2025, the Department of Health will adjust Medicaid rates statewide to account for increased labor costs resulting from statutorily required increases in New York State minimum wage for the following Office of Mental Health (OMH) State



**Plan Services: OMH Outpatient Services, OMH Clinic Services, and OMH Rehabilitative Services.**

The estimated annual net aggregate increase in gross Medicaid expenditures attributable to this initiative is \$84,000.

**Institutional Services**

Effective on or after April 1, 2025, the proposed amendment to the State Plan will allow Title XIX (Medicaid) reimbursement to general hospitals, as defined in Subdivision 10 of Section 2801 of the Public Health Law, for provision of inpatient acute care that is provided off-site, pursuant to the conditions set forth in proposed Subdivision 15 of Section 2803 of the Public Health Law (see Proposed Executive Budget, Health and Mental Hygiene, Part Y). Reimbursement rates will match those provided for inpatient acute care services provided on-site in licensed general hospital settings.

Under the proposed law, the Commissioner of Health of the State of New York may allow general hospitals to provide off-site acute care medical services that are (a) not home care services or professional services as defined in Subdivisions 1 and 2 of Section 3602 of the Public Health Law; (b) provided by a medical professional, including a physician, registered nurse, nurse practitioner, or physician assistant, to a patient with a preexisting clinical relationship with the general hospital or with the health care professional providing the service; and (c) provided to a patient for whom a medical professional has determined is appropriate to receive acute medical services at their residence. To participate, the general hospital must also have appropriate discharge planning in place to coordinate discharge to a home care agency where medically necessary and consented to by the patient after the patient's acute care episode ends, consistent with all applicable federal, state, and local laws.

There is no estimated change to gross Medicaid expenditures as a result of this proposed amendment.

Effective on or after April 1, 2025 the provision for Supplemental payments intended for services provided for Voluntary Hospitals up to the upper payment limit for Voluntary Hospitals shall be eliminated. Funds shall be available as Indigent Care Pool (ICP) dollars only.

There is no estimated change to gross Medicaid expenditures as a result of this proposed amendment.

Effective on or after April 1, 2025, hospitals owned and operated by the New York City Health and Hospitals Corporation are removed from participation in the Indigent Care Pool (ICP). Hospitals will continue to be funded in DSH via other DSH transactions.

The estimated annual net aggregate decrease in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-26 is (\$113 million).

**Long Term Care Services**

Effective on or after April 1, 2025 through March 31, 2028 this proposal would provide a three-year increase in funding associated with the reimbursement for residential health care facilities.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-2026 is \$378.9 million.

Effective on or after April 1, 2025, the Department of Health proposes to amend the Title XIX (Medicaid) State Plan for long term care services related to temporary rate adjustments to long term care providers that are undergoing closure, merger, consolidation, acquisition or restructuring themselves or other health care providers. These payments are authorized by current State statutory and regulatory provisions. The temporary rate adjustments will be reviewed and approved by the CINERGY Collaborative.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-2026 is \$30 million.

Effective on or after April 1, 2025 a demonstration program for aging adults with medical fragility shall be established. The aging adults with medical fragility demonstration will certify a medical fragility facility, as defined by Public Health Law § 2808-f, for the purpose of improving the quality of care for aging adults with medical fragility. The facility shall support the continuing needs for adults from age 35 years old to end of life who have a chronic debilitating condition or

conditions, are at risk of hospitalization, are technology-dependent for life or health sustaining functions, require complex medication regimens or medical interventions to maintain or to improve their health status, and/or are in need of ongoing assessment or intervention to prevent serious deterioration of their health status or medical complications that place their life, health or development at risk.

The State intends to utilize its current nursing home reimbursement rates for adults and take into account the methodology used to establish the operating component of the rates with an increase or decrease adjustment as appropriate to account for any discrete expenses associated with caring for aging adults with medical fragility, including addressing their distinct needs as aging adults for medical and psychological support services.

The estimated net aggregate increase in gross Medicaid expenditures attributable to this initiative contained in the budget for state fiscal year 2025-2026 is \$59.6 million.

The public is invited to review and comment on this proposed State Plan Amendment, a copy of which will be available for public review on the Department's website at [http://www.health.ny.gov/regulations/state\\_plans/status](http://www.health.ny.gov/regulations/state_plans/status). Individuals without Internet access may view the State Plan Amendments at any local (county) social services district.

For the New York City district, copies will be available at the following places:

New York County  
250 Church Street  
New York, New York 10018

Queens County, Queens Center  
3220 Northern Boulevard  
Long Island City, New York 11101

Kings County, Fulton Center  
114 Willoughby Street  
Brooklyn, New York 11201

Bronx County, Tremont Center  
1916 Monterey Avenue  
Bronx, New York 10457

Richmond County, Richmond Center  
95 Central Avenue, St. George  
Staten Island, New York 10301

*For further information and to review and comment, please contact:*  
Department of Health, Division of Finance and Rate Setting, 99 Washington Ave., One Commerce Plaza, Suite 1432, Albany, NY 12210, [spa-inquiries@health.ny.gov](mailto:spa-inquiries@health.ny.gov)

**PUBLIC NOTICE****Department of Health**

Pursuant to 42 CFR Section 447.205, the Department of Health hereby gives public notice of the following:

The Department of Health proposes to amend the Title XIX (Medicaid) State Plan for non-institutional Services as authorized by § 2826 of New York Public Health Law. The following changes are proposed:

**Non-Institutional Services**

Effective on or after April 1, 2025, temporary rate adjustments have been approved for services related to providers that are undergoing closure, merger, consolidation, acquisition or restructuring themselves or other health care providers. The temporary rate adjustments have been reviewed and approved for the following Hospital:

- St. Mary's Healthcare

The aggregate payment amounts totaling up to \$11,370,250 for the period April 1, 2025, through March 31, 2026.

The aggregated payment amounts totaling up to \$10,220,250 for the period of April 1, 2026, through March 31, 2027.

Appendix V  
2025 Title XIX State Plan  
Second Quarter Amendment  
Responses to Standard Funding Questions

NON-INSTITUTIONAL SERVICES  
State Plan Amendment #25-0050

CMS Standard Funding Questions

The following questions are being asked and should be answered in relation to all payments made to all providers reimbursed pursuant to a methodology described in Attachment 4.19-B of the state plan.

1. Section 1903(a)(1) provides that Federal matching funds are only available for expenditures made by States for services under the approved State plan. Do providers receive and retain the total Medicaid expenditures claimed by the State (includes normal per diem, supplemental, enhanced payments, other) or is any portion of the payments returned to the State, local governmental entity, or any other intermediary organization? If providers are required to return any portion of payments, please provide a full description of the repayment process. Include in your response a full description of the methodology for the return of any of the amount or percentage of payments that are returned and the disposition and use of the funds once they are returned to the State (i.e., general fund, medical services account, etc.)

Response: Providers receive and retain 100 percent of total Medicaid expenditures claimed by the State and the State does not require any provider to return any portion of such payments to the State, local government entities, or any other intermediary organization.

2. Section 1902(a)(2) provides that the lack of adequate funds from local sources will not result in lowering the amount, duration, scope, or quality of care and services available under the plan. Please describe how the state share of each type of Medicaid payment (normal per diem, supplemental, enhanced, other) is funded. Please describe whether the state share is from appropriations from the legislature to the Medicaid agency, through intergovernmental transfer agreements (IGTs), certified public expenditures (CPEs), provider taxes, or any other mechanism used by the state to provide state share. Note that, if the appropriation is not to the Medicaid agency, the source of the state share would necessarily be derived through either an IGT or CPE. In this case, please identify the agency to which the funds are appropriated. Please provide an estimate of total expenditure and State share amounts for each type of Medicaid payment. If any of the non-federal share is being provided using IGTs or CPEs, please fully describe the matching arrangement including when the state agency receives the transferred amounts from the local government entity transferring the funds. If CPEs are used, please describe the methodology used by the state to verify that the total expenditures being certified are eligible for Federal matching funds in accordance with 42 CFR 433.51(b). For any payment funded by CPEs or IGTs, please provide the following:
  - (i) a complete list of the names of entities transferring or certifying funds;
  - (ii) the operational nature of the entity (state, county, city, other);

- (iii) the total amounts transferred or certified by each entity;
- (iv) clarify whether the certifying or transferring entity has general taxing authority: and,
- (v) whether the certifying or transferring entity received appropriations (identify level of appropriations).

**Response:** The Non-Federal share Medicaid provider payment is funded by a combination of the following funds/funding sources through enacted appropriations authority to the Department of Health (DOH) for the New York State Medicaid program.

		4/1/25 – 3/31/26	
Payment Type	Non-Federal Share Funding	Non-Federal	Gross
Normal Per Diem	General Fund; County Contribution	\$22.9M	\$45.8M

- A. **General Fund:** Revenue resources for the State's General Fund includes taxes (e.g., income, sales, etc.), and miscellaneous fees (including audit recoveries). Medicaid expenditures from the State's General Fund are authorized from Department of Health Medicaid.

- 1) New York State Audit Recoveries: The Department of Health collaborates with the Office of the Medicaid Inspector General (OMIG) and the Office of the Attorney General (AG) in recovering improperly expended Medicaid funds. OMIG conducts and coordinates the investigation, detection, audit, and review of Medicaid providers and recipients to ensure they are complying with all applicable laws and regulation. OMIG recovers any improper payments through cash collections and voided claim recoveries. Cash collections are deposited into the State's General Fund to offset Medicaid costs.

In addition to cash collections, OMIG finds inappropriately billed claims within provider claims. To correct an error, OMIG and DOH process the current accurate claim, and reduce this claim by the inappropriate claim value to recoup the previous overclaim and decrease state spending.

**B. Additional Resources for Non-Federal Share Funding:**

County Contribution: In State Fiscal Year 2006, through enacted State legislation (Part C of Chapter 58 of the laws of 2005), New York State "capped" the amount localities contributed to the non-Federal share of providers claims. This was designed to relieve pressure on county property taxes and the NYC budget by limiting local contributions having New York State absorb all local program costs above this fixed statutory inflation rate (3% at the time).

However, in State Fiscal Year 2013 New York State provided additional relief to Localities by reducing local contributions annual growth from three percent to zero over a three-year period. Beginning in State Fiscal Year 2016, counties began paying a fixed cost in perpetuity as follows:

Entity	Annual Amount
New York City	\$5.378B
Suffolk County	\$256M
Nassau County	\$241M
Westchester County	\$223M
Erie County	\$216M
Rest of State (53 Counties)	\$1.320B
<b>Total</b>	<b>\$7.634B</b>

By eliminating the growth in localities Medicaid costs, the State has statutorily capped total Statewide County Medicaid expenditures at 2015 levels. All additional county Medicaid costs are funded by the State through State funding as described above. DOH provides annual letters to counties providing weekly contributions. Contributions are deposited directly into State escrow account and used to offset 'total' State share Medicaid funding.

NOTE: The Local Contribution is not tied to a specific claim or service category and instead is a capped amount based on 2015 county spending levels as stated above.

- Section 1902(a)(30) requires that payments for services be consistent with efficiency, economy, and quality of care. Section 1903(a)(1) provides for Federal financial participation to States for expenditures for services under an approved State plan. If supplemental or enhanced payments are made, please provide the total amount for each type of supplemental or enhanced payment made to each provider type.**

**Response:** The Medicaid payments under this State Plan Amendment are not supplemental payments.

- For clinic or outpatient hospital services please provide a detailed description of the methodology used by the state to estimate the upper payment limit (UPL) for each class of providers (state owned or operated, non-state government owned or operated, and privately owned or operated). Please provide a current (i.e., applicable to the current rate year) UPL demonstration. Under regulations at 42 CFR 447.272, States are prohibited from setting payment rates for Medicaid inpatient services that exceed a reasonable estimate of the amount that would be paid under Medicare payment principals.**

**Response:** The clinic UPL demonstration utilizes cost-to-payment methodology to estimate the upper payment limit for each class of providers. The Medicaid payments under this State Plan Amendment were included in the 2025 clinic UPL submitted to CMS on April 4, 2025.

- Does any governmental provider receive payments that in the aggregate (normal per diem, supplemental, enhanced, other) exceed their reasonable costs of providing services? If payments exceed the cost of services, do you recoup the excess and return the Federal share of the excess to CMS on the quarterly expenditure report?**

Response: Providers do not receive payments that in the aggregate exceed their reasonable costs of providing services. If any providers received payments that in the aggregate exceeded their reasonable costs of providing services, the State would recoup the excess and return the Federal share of the excess to CMS on the quarterly expenditure report.

ACA Assurances:

1. Maintenance of Effort (MOE). Under section 1902(gg) of the Social Security Act (the Act), as amended by the Affordable Care Act, as a condition of receiving any Federal payments under the Medicaid program during the MOE period indicated below, the State shall not have in effect any eligibility standards, methodologies, or procedures in its Medicaid program which are more restrictive than such eligibility provisions as in effect in its Medicaid program on March 10, 2010.

MOE Period.

- Begins on: March 10, 2010, and
- Ends on: The date the Secretary of the Federal Department of Health and Human Services determines an Exchange established by a State under the provisions of section 1311 of the Affordable Care Act is fully operational.

Response: This SPA complies with the conditions of the MOE provision of section 1902(gg) of the Act for continued funding under the Medicaid program.

2. Section 1905(y) and (z) of the Act provides for increased FMAPs for expenditures made on or after January 1, 2014 for individuals determined eligible under section 1902(a)(10)(A)(i)(VIII) of the Act. Under section 1905(cc) of the Act, the increased FMAP under sections 1905(y) and (z) would not be available for States that require local political subdivisions to contribute amounts toward the non-Federal share of the State's expenditures at a greater percentage than would have been required on December 31, 2009.

Prior to January 1, 2014 States may potentially require contributions by local political subdivisions toward the non-Federal share of the States' expenditures at percentages greater than were required on December 31, 2009. However, because of the provisions of section 1905(cc) of the Act, it is important to determine and document/flag any SPAs/State plans which have such greater percentages prior to the January 1, 2014 date in order to anticipate potential violations and/or appropriate corrective actions by the States and the Federal government.

Response: This SPA would [ ] / would not [✓] violate these provisions, if they remained in effect on or after January 1, 2014.

3. Please indicate whether the State is currently in conformance with the requirements of section 1902(a)(37) of the Act regarding prompt payment of claims.

Response: The State complies with the requirements of section 1902(a)(37) of the Act regarding prompt payment of claims.

Tribal Assurance:

Section 1902(a)(73) of the Social Security Act the Act requires a State in which one or more Indian Health Programs or Urban Indian Organizations furnish health care services to establish a process for the State Medicaid agency to seek advice on a regular ongoing basis from designees of Indian health programs whether operated by the Indian Health Service H I S Tribes or Tribal organizations under the Indian Self Determination and Education Assistance Act ISDEAA or Urban Indian Organizations under the Indian Health Care Improvement Act.

IHCIA Section 2107(e)(I) of the Act was also amended to apply these requirements to the Children's Health Insurance Program CHIP. Consultation is required concerning Medicaid and CHIP matters having a direct impact on Indian health programs and Urban Indian organizations.

- a) Please describe the process the State uses to seek advice on a regular ongoing basis from federally recognized tribes Indian Health Programs and Urban Indian Organizations on matters related to Medicaid and CHIP programs and for consultation on State Plan Amendments waiver proposals waiver extensions waiver amendments waiver renewals and proposals for demonstration projects prior to submission to CMS.
- b) Please include information about the frequency inclusiveness and process for seeking such advice.
- c) Please describe the consultation process that occurred specifically for the development and submission of this State Plan Amendment when it occurred and who was involved.

Response: Tribal consultation was performed in accordance with the State's tribal consultation policy as approved in SPA 17-0065, and documentation of such is included with this submission. To date, no feedback has been received from any tribal representative in response to the proposed change in this SPA.

NON-INSTITUTIONAL SERVICES  
State Plan Amendment #25-0050

CMS Standard Funding Questions

The following questions are being asked and should be answered in relation to all payments made to all providers reimbursed pursuant to a methodology described in Attachment 4.19-B of the state plan.

1. Section 1903(a)(1) provides that Federal matching funds are only available for expenditures made by States for services under the approved State plan. Do providers receive and retain the total Medicaid expenditures claimed by the State (includes normal per diem, supplemental, enhanced payments, other) or is any portion of the payments returned to the State, local governmental entity, or any other intermediary organization? If providers are required to return any portion of payments, please provide a full description of the repayment process. Include in your response a full description of the methodology for the return of any of the amount or percentage of payments that are returned and the disposition and use of the funds once they are returned to the State (i.e., general fund, medical services account, etc.)

Response: Providers receive and retain 100 percent of total Medicaid expenditures claimed by the State and the State does not require any provider to return any portion of such payments to the State, local government entities, or any other intermediary organization.

2. Section 1902(a)(2) provides that the lack of adequate funds from local sources will not result in lowering the amount, duration, scope, or quality of care and services available under the plan. Please describe how the state share of each type of Medicaid payment (normal per diem, supplemental, enhanced, other) is funded. Please describe whether the state share is from appropriations from the legislature to the Medicaid agency, through intergovernmental transfer agreements (IGTs), certified public expenditures (CPEs), provider taxes, or any other mechanism used by the state to provide state share. Note that, if the appropriation is not to the Medicaid agency, the source of the state share would necessarily be derived through either an IGT or CPE. In this case, please identify the agency to which the funds are appropriated. Please provide an estimate of total expenditure and State share amounts for each type of Medicaid payment. If any of the non-federal share is being provided using IGTs or CPEs, please fully describe the matching arrangement including when the state agency receives the transferred amounts from the local government entity transferring the funds. If CPEs are used, please describe the methodology used by the state to verify that the total expenditures being certified are eligible for Federal matching funds in accordance with 42 CFR 433.51(b). For any payment funded by CPEs or IGTs, please provide the following:
  - (i) a complete list of the names of entities transferring or certifying funds;
  - (ii) the operational nature of the entity (state, county, city, other);



- (iii) the total amounts transferred or certified by each entity;
- (iv) clarify whether the certifying or transferring entity has general taxing authority: and,
- (v) whether the certifying or transferring entity received appropriations (identify level of appropriations).

**Response:** The Non-Federal share Medicaid provider payment is funded by a combination of the following funds/funding sources through enacted appropriations authority to the Department of Health (DOH) for the New York State Medicaid program.

		4/1/25 – 3/31/26	
Payment Type	Non-Federal Share Funding	Non-Federal	Gross
Normal Per Diem	General Fund; County Contribution	\$22.9M	\$45.8M

- A. **General Fund:** Revenue resources for the State's General Fund includes taxes (e.g., income, sales, etc.), and miscellaneous fees (including audit recoveries). Medicaid expenditures from the State's General Fund are authorized from Department of Health Medicaid.

- 1) New York State Audit Recoveries: The Department of Health collaborates with the Office of the Medicaid Inspector General (OMIG) and the Office of the Attorney General (AG) in recovering improperly expended Medicaid funds. OMIG conducts and coordinates the investigation, detection, audit, and review of Medicaid providers and recipients to ensure they are complying with all applicable laws and regulation. OMIG recovers any improper payments through cash collections and voided claim recoveries. Cash collections are deposited into the State's General Fund to offset Medicaid costs.

In addition to cash collections, OMIG finds inappropriately billed claims within provider claims. To correct an error, OMIG and DOH process the current accurate claim, and reduce this claim by the inappropriate claim value to recoup the previous overclaim and decrease state spending.

**B. Additional Resources for Non-Federal Share Funding:**

County Contribution: In State Fiscal Year 2006, through enacted State legislation (Part C of Chapter 58 of the laws of 2005), New York State "capped" the amount localities contributed to the non-Federal share of providers claims. This was designed to relieve pressure on county property taxes and the NYC budget by limiting local contributions having New York State absorb all local program costs above this fixed statutory inflation rate (3% at the time).

However, in State Fiscal Year 2013 New York State provided additional relief to Localities by reducing local contributions annual growth from three percent to zero over a three-year period. Beginning in State Fiscal Year 2016, counties began paying a fixed cost in perpetuity as follows:

Entity	Annual Amount
New York City	\$5.378B
Suffolk County	\$256M
Nassau County	\$241M
Westchester County	\$223M
Erie County	\$216M
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<b>Total</b>	<b>\$7.634B</b>

By eliminating the growth in localities Medicaid costs, the State has statutorily capped total Statewide County Medicaid expenditures at 2015 levels. All additional county Medicaid costs are funded by the State through State funding as described above. DOH provides annual letters to counties providing weekly contributions. Contributions are deposited directly into State escrow account and used to offset 'total' State share Medicaid funding.

NOTE: The Local Contribution is not tied to a specific claim or service category and instead is a capped amount based on 2015 county spending levels as stated above.

- Section 1902(a)(30) requires that payments for services be consistent with efficiency, economy, and quality of care. Section 1903(a)(1) provides for Federal financial participation to States for expenditures for services under an approved State plan. If supplemental or enhanced payments are made, please provide the total amount for each type of supplemental or enhanced payment made to each provider type.**

**Response:** The Medicaid payments authorized under this State Plan Amendment are not supplemental payments.

- For clinic or outpatient hospital services please provide a detailed description of the methodology used by the state to estimate the upper payment limit (UPL) for each class of providers (state owned or operated, non-state government owned or operated, and privately owned or operated). Please provide a current (i.e., applicable to the current rate year) UPL demonstration. Under regulations at 42 CFR 447.272, States are prohibited from setting payment rates for Medicaid inpatient services that exceed a reasonable estimate of the amount that would be paid under Medicare payment principals.**

**Response:** The outpatient UPL demonstration utilizes a cost-to-payment methodology to estimate the upper payment limit for each class of providers. The Medicaid payments under this State Plan Amendment will be included in the 2025 outpatient UPL when it is submitted to CMS.

- Does any governmental provider receive payments that in the aggregate (normal per diem, supplemental, enhanced, other) exceed their reasonable costs of providing services? If payments exceed the cost of services, do you recoup the excess and return the Federal share of the excess to CMS on the quarterly expenditure report?**

Response: Providers do not receive payments that in the aggregate exceed their reasonable costs of providing services. If any providers received payments that in the aggregate exceeded their reasonable costs of providing services, the State would recoup the excess and return the Federal share of the excess to CMS on the quarterly expenditure report.

ACA Assurances:

1. Maintenance of Effort (MOE). Under section 1902(gg) of the Social Security Act (the Act), as amended by the Affordable Care Act, as a condition of receiving any Federal payments under the Medicaid program during the MOE period indicated below, the State shall not have in effect any eligibility standards, methodologies, or procedures in its Medicaid program which are more restrictive than such eligibility provisions as in effect in its Medicaid program on March 10, 2010.

MOE Period.

- Begins on: March 10, 2010, and
- Ends on: The date the Secretary of the Federal Department of Health and Human Services determines an Exchange established by a State under the provisions of section 1311 of the Affordable Care Act is fully operational.

Response: This SPA complies with the conditions of the MOE provision of section 1902(gg) of the Act for continued funding under the Medicaid program.

2. Section 1905(y) and (z) of the Act provides for increased FMAPs for expenditures made on or after January 1, 2014 for individuals determined eligible under section 1902(a)(10)(A)(i)(VIII) of the Act. Under section 1905(cc) of the Act, the increased FMAP under sections 1905(y) and (z) would not be available for States that require local political subdivisions to contribute amounts toward the non-**Federal share of the State's expenditures at a greater percentage than** would have been required on December 31, 2009.

Prior to January 1, 2014 States may potentially require contributions by local political subdivisions toward the non-Federal share of the States' expenditures at percentages greater than were required on December 31, 2009. However, because of the provisions of section 1905(cc) of the Act, it is important to determine and document/flag any SPAs/State plans which have such greater percentages prior to the January 1, 2014 date in order to anticipate potential violations and/or appropriate corrective actions by the States and the Federal government.

Response: This SPA would [ ] / would not [✓] violate these provisions, if they remained in effect on or after January 1, 2014.

3. Please indicate whether the State is currently in conformance with the requirements of section 1902(a)(37) of the Act regarding prompt payment of claims.

Response: The State complies with the requirements of section 1902(a)(37) of the Act regarding prompt payment of claims.

Tribal Assurance:

Section 1902(a)(73) of the Social Security Act the Act requires a State in which one or more Indian Health Programs or Urban Indian Organizations furnish health care services to establish a process for the State Medicaid agency to seek advice on a regular ongoing basis from designees of Indian health programs whether operated by the Indian Health Service H I S Tribes or Tribal organizations under the Indian Self Determination and Education Assistance Act ISDEAA or Urban Indian Organizations under the Indian Health Care Improvement Act.

IHCIA Section 2107(e)(I) of the Act was also amended to apply these requirements to the Children's Health Insurance Program CHIP. Consultation is required concerning Medicaid and CHIP matters having a direct impact on Indian health programs and Urban Indian organizations.

- a) Please describe the process the State uses to seek advice on a regular ongoing basis from federally recognized tribes Indian Health Programs and Urban Indian Organizations on matters related to Medicaid and CHIP programs and for consultation on State Plan Amendments waiver proposals waiver extensions waiver amendments waiver renewals and proposals for demonstration projects prior to submission to CMS.
- b) Please include information about the frequency inclusiveness and process for seeking such advice.
- c) Please describe the consultation process that occurred specifically for the development and submission of this State Plan Amendment when it occurred and who was involved.

Response: **Tribal consultation was performed in accordance with the State's tribal consultation** policy as approved in SPA 17-0065, and documentation of such is included with this submission. To date, no feedback has been received from any tribal representative in response to the proposed change in this SPA.